



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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August 21, 1992

Gayle R. McKeachnie, Legal Counsel  
Ziegler Chemical & Mineral Corporation  
363 East Main Street  
Vernal, Utah 84078

Dear Mr. McKeachnie:

Re: Notice of Intention to Revise Mining Operations, Ziegler Chemical & Mineral Corp., Ziegler Gilsonite Mines, M/047/013, Uintah County, Utah

The Division has completed a review of the Ziegler's Notice of Intention to Revise Mining Operations received July 22, 1992. The information provided, which revises the existing Notice of Intention to include the Cottonwood #3 Mine, is complete and no additional information is required at this time. This revision will now be incorporated into the main Ziegler Gilsonite Mines file. As of the date of this letter, the Division has not received proof of a surety for the Cottonwood #3 site being posted with State Lands & Forestry. Proof of this surety was one of the conditions to be met prior to the Division's approval of the shaft sinking portion of this project. The Division of State Lands & Forestry has indicated that a cultural survey has been completed at this time.

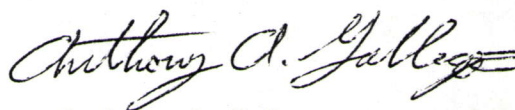
The Reclamation Contract attached to your response, which deals solely with the Cottonwood #3 site, is unnecessary at this time. The original intent of the Division's request for a revised Reclamation Contract was for a new contract to be submitted at the time of the new surety submission for all Ziegler operations. The new Reclamation Contract should include a comprehensive listing of all Ziegler mine operations in the "Attachment A" section. This listing should include the mine site name, disturbed acreage, legal description, and the agency which currently holds a bond. The Disturbed Area figure in the Reclamation Contract should be the total cumulative disturbance for all Ziegler mine sites and mine facilities. An edited version of the Reclamation Contract submitted, along with the original copy, are being returned for your review and revision.

Page 2  
Gayle R. McKeachnie  
M/047/013  
August 21, 1992

This letter will also confirm a site inspection scheduled for Wednesday, September 2, 1992, 2:00 p.m., as discussed in a phone conversation with Mr. Haslem today. The purpose of the inspection will be to evaluate the adequacy of the reclamation surety estimate for the Ziegler Gilsonite mines. I would like to visit a number of the mine sites with Mr. Haslem, or another company representative, if possible. After the inspection I will adjust the reclamation surety estimate accordingly and present the new amount to Ziegler for review.

Thank you for your time and cooperation in completing this permitting action. Please contact me if you have any questions with regard to this letter.

Sincerely,

A handwritten signature in cursive script, reading "Anthony A. Gallegos". The signature is written in dark ink and is positioned above the printed name and title.

Anthony A. Gallegos  
Reclamation Engineer

jb  
Enclosures  
cc: Norman Haslem, Ziegler  
John Blake, State Lands & Forestry  
M047013